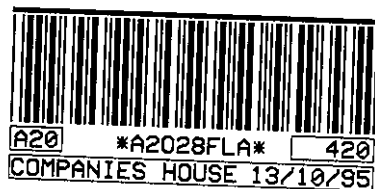


**MACINTYRE CARE**

**FINANCIAL STATEMENTS  
YEAR ENDED 31ST DECEMBER 1994**

**Company Registration Number 894054**



## **MACINTYRE CARE**

A company limited by guarantee registered in England No. 894054, registered charity No. 250840.

### **REPORT OF THE BOARD OF GOVERNORS**

Year ended 31st December 1994

#### **MEMBERS OF THE BOARD**

The following were governors of the company during the year:

Gordon Owen CBE	Chairman
Beverley Carpenter JP	(Resigned March 1995)
Edward Lea FCA	
Nikki Shale	
Margaret Smith	
Roger Smith	
Ian Tegner CA	
Norman Warner	(Appointed December 1994)

Since the year end the Board received the resignation of Beverley Carpenter. The group is indebted to her for her support over the years.

The Board has been strengthened in March 1995 by the appointment of Graham Cranmer.

The governors are members of the company under paragraph 6 of the Memorandum of Association dated 15th December 1966. All members are liable to contribute up to £5 each towards the debts of the company in the event of its being wound up.

The governors retire by rotation at the Annual General meeting in accordance with paragraphs 37 and 38 of the Articles of Association.

#### **ACTIVITIES**

The main activity of the company continues to be the establishment of residential and day care services for children and adults who have learning or multiple disabilities, the formation and running of schools, training and work places, group homes and houses. For the furtherance of its objectives the company seeks to work with the MacIntyre Housing Association, MacIntyre Enterprise Limited, MacIntyre Publishing Limited, MacIntyre Adventure Limited, MacIntyre Wills and Executors Limited, The MacIntyre Charitable Trust and The MacIntyre Foundation.

## **MACINTYRE CARE**

**A Company limited by guarantee**

### **AFFILIATIONS**

The company is a member of the International League of Societies for Mental Handicap, the Industrial Society, the Tax Reform Group, the Voluntary Movement Group, the National Council for Voluntary Organisations, Mobility International, Voluntary Organisations for Disability Group, The European Association of Non Government Organisations and the Institute of Charity Fund-raising Managers.

### **EQUAL OPPORTUNITIES**

MacIntyre Care is an equal opportunities employer and gives equal consideration to all members of society without discrimination. In pursuance of this the company is supportive of the policies and practices set out in the Code of Good Practice on the Employment of Disabled People and actively promotes the welfare of people with disabilities within the organisation.

Opportunities are offered for staff to develop both personally and professionally and this development is seen as ongoing within the company, with particular attention being paid to the development of widespread anti-discriminatory policy for all staff.

The company has a high commitment to ensure that staff have regular access to varied staff development activities and acknowledges the importance of staff training at all levels.

### **PROJECTS AND DEVELOPMENTS**

The company has continued to pursue the restructuring programme which had commenced in 1992.

This has led to the donation of certain freehold properties to an associated charity, The MacIntyre Charitable Trust, after the year end, and corresponding re-arrangements with new bankers. These arrangements are detailed in note 1 to the financial statements. This will enable the company to concentrate solely on the provision of high quality care services.

The company has continued to work closely in co-operation with the MacIntyre Housing Association combining skills and experience in the field of special needs accommodation and care. Following a day conference on the subject of the Royal Institute of British Architects, the company and housing association arranged a successful national design competition for young architects.

### **STATE OF AFFAIRS**

The results for the year are set out in the financial statements which follow. These show a group deficit of £1,596,202.

Included in the above deficit are losses realised by a subsidiary totalling £478,035. As disclosed in note 1.B to the financial statements, steps have been taken to discontinue the activities of this subsidiary, with only those sectors of its trading which were profitable being retained by the group.

## MACINTYRE CARE

A Company limited by guarantee

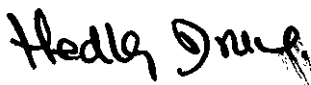
As previously stated, the company has continued to pursue its restructuring programme and this has led to the closure of its two loss making garden centres in June 1995 and a restructuring of central administration which has sadly resulted in redundancies. The directors regret the necessity of the departure of these members of staff but are confident that these changes have brought costs under tight control to secure the future for the company and the group. In order to concentrate the future on its core activity the company is concentrating on implementing strong financial management and controls to strengthen its expertise in providing quality services to its purchasers.

As in previous years the greater part of Board Fee Income is from local authority, education or social service departments, health authorities and benefit agencies in support of residents.

During the year charitable money received amounted to £495,591 and the group expended £938,989 on fixed assets.

We are greatly indebted to the many people who support our work and in particular for the support given by The MacIntyre Charitable Trust. We are also grateful for the support of our Patron, Vice Presidents and Voluntary Advisors who are all people of influence and who promote and assist the group in many ways.

By Order of the Board



Hedley Druce  
Company Secretary

602 South Seventh Street  
Central Milton Keynes  
Buckinghamshire  
MK9 2JA

27.9.95

# **MACINTYRE CARE**

**A Company limited by guarantee**

## **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

Company law requires the directors (in this case represented by the Board of Governors) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether applicable accounting standards have been followed, subject to material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**MACINTYRE CARE**  
**A Company limited by guarantee**

**AUDITORS REPORT**  
**TO THE MEMBERS OF MACINTYRE CARE**

We have audited the financial statements on pages 6 to 22.

**Respective Responsibilities of Directors and Auditors**

As described on Page 4, the company's directors (in this case represented by the Board of Governors) are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on these statements and to report our opinion to you.

**Basis of Opinion**

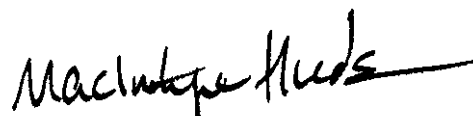
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 1994 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Equipoise House  
Grove Place  
Bedford  
MK40 3LE



MacIntyre Hudson

Chartered Accountants  
Registered Auditor

12.10.95

**MACINTYRE CARE**  
A Company limited by guarantee


**CONSOLIDATED BALANCE SHEET**

**31st December 1994**

	Notes	1994	1993
		£	£
<b>Fixed Assets</b>			
<b>Tangible Assets</b>	3		
Freehold property		5,103,566	3,073,990
Leasehold property		1,000,764	847,423
Equipment and motor vehicles		630,321	497,355
Furniture & Furnishings		<u>1,052,345</u>	<u>1,010,673</u>
		7,786,996	<u>5,429,441</u>
<b>Current Assets</b>			
Stocks	5	103,824	179,748
Debtors	6	1,687,506	1,474,864
Prepayments		290,572	275,365
Investments		19,506	19,506
Cash at bank and in hand		<u>269,405</u>	<u>68,285</u>
		<u>2,370,813</u>	<u>2,017,768</u>
<b>Creditors: Amounts Falling Due Within One Year</b>			
Bank loans and overdrafts	7	1,692,652	1,214,297
Creditors	8	1,160,740	640,941
Taxation and Social Security		837,855	725,672
Fees received in advance		<u>1,672,543</u>	<u>651,881</u>
		<u>5,363,790</u>	<u>3,232,791</u>
Net current liabilities		<u>(2,992,977)</u>	<u>(1,215,023)</u>
<b>Total Assets Less Current Liabilities</b>		4,794,019	4,214,418
<b>Creditors: Amounts Falling due After One Year</b>			
Secured advances	10	<u>1,498,145</u>	<u>1,242,056</u>
		<u>£3,295,874</u>	<u>£2,972,362</u>
<b>Reserves</b>			
Restricted funds	15	25,919	434,244
General Reserve	15	1,350,241	2,538,118
Revaluation Reserve	3	<u>1,919,714</u>	<u>-</u>
<b>Total Funds</b>		<u>£3,295,874</u>	<u>£2,972,362</u>

These accounts were approved by the Board on 27.9.95

.....  ..... G. OWEN - GOVERNOR  
The notes on pages 11 to 22 form part of these financial statements.

 ..... R. SMITH  
..... GOVERNOR

# MACINTYRE CARE

A Company limited by guarantee

## COMPANY BALANCE SHEET

31st December 1994

	Notes	1994	1993
		£	£
<b>Fixed Assets</b>			
<b>Tangible Assets</b>			
Freehold property	3	5,103,566	3,073,990
Leasehold property		1,000,764	828,705
Equipment		630,321	467,026
Furniture & Furnishings		<u>1,052,345</u>	<u>1,010,673</u>
		7,786,996	5,380,394
<b>Investment In Subsidiaries</b>	4	<u>101</u>	<u>1</u>
		7,787,097	<u>5,380,395</u>
<b>Current Assets</b>			
Stocks	5	25,282	27,287
Debtors	6	1,790,370	1,664,787
Prepayments		286,369	270,718
Investments		19,506	19,506
Cash at bank and in hand		<u>172,740</u>	<u>27,582</u>
		<u>2,294,267</u>	<u>2,009,880</u>
<b>Creditors: Amounts Falling Due Within One Year</b>			
Bank loans and overdrafts	7	1,690,452	1,214,297
Creditors	8	1,089,697	584,386
Taxation and Social Security		837,855	725,392
Fees received in advance		<u>1,672,543</u>	<u>651,881</u>
		<u>5,290,547</u>	<u>3,175,956</u>
Net current liabilities		(2,996,280)	(1,166,076)
<b>Total Assets Less Current Liabilities</b>		4,790,817	4,214,319
<b>Creditors: Amounts Falling Due After One Year</b>			
Secured advances	10	<u>1,498,145</u>	<u>1,242,056</u>
		<u>£3,292,672</u>	<u>£2,972,263</u>
<b>Reserves</b>			
Restricted funds	15	25,919	434,244
General Reserve	15	1,347,039	2,538,019
Revaluation Reserve	3	<u>1,919,714</u>	<u>-</u>
<b>Total Funds</b>		<u>£3,292,672</u>	<u>£2,972,263</u>

These accounts were approved by the Board on

G. OWEN 27.9.95  
- GOVERNOR  
The notes on pages 11 to 22 form part of these financial statements.

R. SMITH  
- GOVERNOR



# MACINTYRE CARE

A Company limited by guarantee

## CONSOLIDATED REVENUE ACCOUNT

Year ended 31st December 1994

	Notes	1994 £	1993 £
Turnover	11	14,441,311	12,446,092
Cost of Sales & Administration Expenses		<u>15,823,670</u>	<u>12,473,190</u>
Revenue Deficit		<u>(1,382,359)</u>	<u>(27,098)</u>
Other Income			
Donations and grants	11	352,645	571,464
Interest Received		<u>404</u>	<u>1,860</u>
		<u>353,049</u>	<u>573,324</u>
Depreciation		(373,765)	(182,676)
Loss On Disposal Of Freehold Land		-	(186,732)
Interest payable		<u>(193,127)</u>	<u>(172,583)</u>
(Deficit)/Surplus For The Year		<u>£(1,596,202)</u>	<u>£4,235</u>
Transfer To Restricted Funds	15	(408,325)	(1,506,254)
Transfer (To)/From General Fund	15	<u>(1,187,877)</u>	<u>1,510,489</u>
		<u>£(1,596,202)</u>	<u>£4,235</u>

Of the deficit for the year, £1,599,305 (1993 £41,336) is dealt with in the company's own revenue account.

All of the company's operations are classed as continuing.

A statement of movement on reserves appears in note 15 to the financial statements.

The notes on pages 11 to 22 form part of these financial statements.

# **MACINTYRE CARE**

**A Company limited by guarantee**

## **STATEMENT OF RECOGNISED GAINS AND LOSSES - GROUP**

**Year ended 31st December 1994**

	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
(Deficit)/surplus for the financial year	(1,596,202)	4,235
Unrealised surplus on valuation of property during the year	<u>1,919,714</u>	<u>-</u>
Total gains and losses recognised since last financial statements	<u>£323,512</u>	<u>£4,235</u>

**MACINTYRE CARE**

A Company limited by guarantee

**CONSOLIDATED CASHFLOW STATEMENT**

Year ended 31st December 1994

	Note	1994	1993
		£	£
Net cash flow from operating activities	18	38,570	<u>10,527</u>
Net cash inflow on fund-raising activities			
Donations		352,645	571,464
Net cash outflow from servicing of finance			
Interest received		404	1,860
Interest paid		(168,341)	(164,021)
Hire purchase interest		<u>(24,786)</u>	<u>(8,562)</u>
		(192,723)	<u>(170,723)</u>
Investing Activities			
Purchase of fixed assets		(687,625)	(1,221,145)
Sale of fixed assets		<u>127,381</u>	<u>340,268</u>
		<u>(560,244)</u>	<u>(880,877)</u>
Net cash outflow before financing activities		<u>(361,752)</u>	<u>(469,609)</u>
Net cash inflow from financing activities	20		
New loans		300,000	170,000
Repayment of bank loans		(85,000)	(85,000)
Capital portion of hire purchase repayments		<u>(130,483)</u>	<u>(68,982)</u>
		84,517	16,018
Decrease in cash and cash equivalents	19	<u>£(277,235)</u>	<u>£(453,591)</u>

# **MACINTYRE CARE**

**A Company limited by guarantee**

## **STATEMENT OF ACCOUNTING POLICIES**

**Year ended 31st December 1994**

### **a) Basis of Accounting**

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain freehold properties. All applicable accounting standards have been complied with.

### **b) Reserves and Funds**

All donations and grants which are received subject to specific conditions imposed by the donor are transferred to Restricted Funds and shown as such on the Balance Sheet. Such donations which are unsolicited are allocated in their entirety to the appropriate specific project, but other such donations and grants are transferred to restricted Funds after deducting an estimate of related fund-raising costs.

Many donations and grants are received as a contribution to specific capital expenditure. On completion of the project for which such a donation or grant is received the amount of that donation or grant is transferred from Restricted Funds to General Reserve. The great majority of other donations and grants are also used for capital projects and are included directly in General Reserve.

The majority of the accumulated General Reserve, therefore, consists of donations and grants received in earlier years and spent on capital projects.

### **c) Capital Expenditure**

Freehold and leasehold properties are principally residential. The original costs and major improvements are capitalised. Revalued properties are depreciated on the revalued amounts from the first full year of revaluation. A reserve movement for the excess depreciation over cost will be made each year between general reserve and revaluation reserve.

Furniture and soft furnishings with an expected life of less than four years initially acquired in each establishment are capitalised and retained in the balance sheet at original cost. This policy does not comply with the requirements of the Companies Act 1985 and SSAP12.

Renewals and replacements of such furniture and soft furnishings are written off to revenue in the year in which such expenditure is incurred. This departure from SSAP12 and the Companies Act 1985 has been made on the grounds that compliance would be inappropriate in this case because of the frequency of replacement caused by the usage to which furniture and furnishings are subjected and that the charge to the revenue account would be equivalent to an annual depreciation charge.

### **d) Depreciation**

Depreciation is provided on all freehold buildings, leasehold buildings and items of equipment with an expected life in excess of three years. This depreciation is provided at rates calculated to write off each asset evenly over its expected useful life as follows:-

Freehold buildings	10-50 years
Leasehold buildings	10-50 years
Equipment	4-10 years

# **MACINTYRE CARE**

**A Company limited by guarantee**

## **STATEMENT OF ACCOUNTING POLICIES Continued**

**Year ended 31st December 1994**

### **e) New Project Start-Up Costs**

These costs, other than those directly related to property development and improvement, are written off to revenue in the year in which the expenditure is incurred. Those costs directly related to property development and improvement are added to the cost of properties.

### **f) Donations**

Donations and grants are credited to revenue when they are received.

Items of furniture, equipment and motor vehicles donated to the company are valued by the governors at estimated market value and included in the Revenue Account as donations received. This value is either capitalised or written off in accordance with the accounting policies set out above.

### **g) Pension Scheme**

The company operates a defined contribution pension scheme for its employees. Contributions to this scheme are charged to revenue as they fall due. The company has no potential liability other than for the payment of those instalments.

### **h) Stocks**

Stocks are stated at the lower of cost and net realisable value. Costs include all those incurred to bring the goods to their present location and condition at balance sheet date. Net realisable value represents anticipated selling price less appropriate reductions for slow-moving and obsolescent items.

### **i) Leased Assets**

Assets acquired under finance lease agreements or hire purchase agreements with similar characteristics are capitalised and liabilities are set up for the capital portions of the instalments. The interest portions of the instalments are charged to the profit and loss account to represent a constant proportion of the balance of capital repayments outstanding.

Rentals on operating leases are charged to revenue in the periods in which they fall due.

### **j) Basis of Consolidation**

The consolidated accounts include the parent company and its subsidiaries after exclusion of inter company balances and transactions.

The consolidation has been done on the acquisition accounting basis. As permitted by S230 of the Companies Act 1985, a separate revenue account for the company has not been included in the financial statements.

## **MACINTYRE CARE**

**A Company limited by guarantee**

### **k) Debtors**

The proportion of unpaid sales invoices which relates to services to be provided by the company after the year end is excluded from debtors and therefore from fees received in advance in the balance sheet.

### **l) Revaluations**

Properties subject to revaluation are included in the balance sheet at the revalued amount. The excess of the valuation over cost is credited to Revaluation Reserve. Accumulated depreciation at the time of the revaluation is also credited to Revaluation Reserve. The proportion of the annual depreciation charge relating to the excess of valuation over cost is debited to the Revaluation Reserve.

# MACINTYRE CARE

A Company limited by guarantee

## NOTES TO THE ACCOUNTS

Year ended 31st December 1994

### 1. POST BALANCE SHEET EVENTS

#### A Refinancing

Since the balance sheet date the company has entered into refinancing arrangements with new bankers. As part of these arrangements four freehold properties have been donated to an associated charity. These were professionally valued as at 31st December 1994 at open market value for the existing use assuming vacant possession and are included in these financial statements at that valuation of £5,200,000. This donation was subject to the associated charity accepting bank and other loans totalling £2,100,000 which were secured on these properties; in addition the associated charity has guaranteed the overdraft of the company to a maximum of £500,000. The associated charity will lease back the properties to enable the company to continue its object of providing care to the disabled.

A pro forma balance sheet for the company assuming that these donations had taken place at 31 December 1994 and using the revaluations above would be as follows:

	Assuming Donations	Audited
	£	£
Fixed Assets	2,587,097	7,787,097
Net Current Liabilities	(1,805,030)	(2,996,280)
	<u>782,067</u>	<u>4,790,817</u>
 Creditors falling due after one year	 <u>589,395</u>	 <u>1,498,145</u>
 Net Assets	 <u>£192,672</u>	 <u>£3,292,672</u>
Reserves and Funds	<u>£192,672</u>	<u>£3,292,672</u>

#### B MacIntyre Enterprise Limited

As disclosed in Note 4 MacIntyre Enterprise Limited is a wholly owned subsidiary of MacIntyre Care.

On 1st January 1995 the business and assets of that subsidiary were transferred to this company. Since that date the directors have decided to discontinue the horticultural trading activities previously carried out by that subsidiary. Consequently provision has been made to reduce tangible and current assets to their estimated net realisable value on disposal of these activities.

# **MACINTYRE CARE**

**A Company limited by guarantee**

## **2. GOING CONCERN BASIS**

After careful consideration the Directors consider it appropriate to prepare the financial statements on the going concern basis.

### **Overdraft Facility**

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand.

The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash inflows from the funding authorities. The directors have prepared cash flow and profit projections for the period to 30 Sept 1996, taking into account the effect of a different pattern of payments and charges arising from the refinancing disclosed in Note 1 and reflecting the changes in operations described below. Arrangements have been made with some funding authorities to advance the receipt of fees and the repayment terms of certain liabilities have been renegotiated.

On the basis of this cash flow information the directors consider that the company will continue to operate within the available facilities. However, inherently there can be no certainty in relation to these matters.

### **Operating Results**

The directors are currently taking steps to improve the company's operating performance. Negotiations are in progress with local authorities to establish increased fee income and in addition the directors have taken measures to contain and reduce the company's administrative costs at central, regional and project level.

As a result of the decisions outlined above and events which have taken place since the balance sheet date, financial projections prepared by the directors indicate that the company will be able to continue to operate as a going concern within its overdraft facility.



# MACINTYRE CARE

A Company limited by guarantee

## NOTES TO THE ACCOUNTS Continued

Year ended 31st December 1994

### 3 a. TANGIBLE ASSETS - COMPANY

	Freehold Property	Short term leasehold property	Equipment & Motor vehicles	Furniture & furnishings	Total
	£	£	£	£	£
<b>COST</b>					
At 1st January 94	3,914,619	955,347	601,548	1,010,673	6,482,187
Additions	466,549	92,214	303,624	41,672	904,059
Disposals	-	(153,514)	-	-	(153,514)
Revaluation adjustment	780,634	124,010	-	-	904,644
At 31st December 94	<u>5,161,802</u>	<u>1,018,057</u>	<u>905,172</u>	<u>1,052,345</u>	<u>8,137,376</u>
Cost	711,802	268,057	905,172	1,052,345	2,937,376
Valuation	<u>4,450,000</u>	<u>750,000</u>	-	-	<u>5,200,000</u>
	<u>5,161,802</u>	<u>1,018,057</u>	<u>905,172</u>	<u>1,052,345</u>	<u>8,137,376</u>
<b>DEPRECIATION</b>					
At 1st January 94	840,629	126,642	134,522	-	1,101,793
Provision for the year	105,248	44,213	140,329	-	289,790
Disposals	-	(26,093)	-	-	(26,093)
Revaluation adjustment	(887,641)	(127,469)	-	-	(1,015,110)
At 31st December 94	<u>58,236</u>	<u>17,293</u>	<u>274,851</u>	<u>-</u>	<u>350,380</u>
<b>NET BOOK VALUE</b>					
At 31st December 94	<u>£5,103,566</u>	<u>£1,000,764</u>	<u>£630,321</u>	<u>£1,052,345</u>	<u>£7,786,996</u>
At 31st December 93	<u>£3,073,990</u>	<u>£828,705</u>	<u>£467,026</u>	<u>£1,010,673</u>	<u>£5,380,394</u>

The net book value of fixed assets includes the following held under hire purchase agreements

	1994	1993
	£	£
Motor Vehicles	<u>£465,726</u>	<u>£328,622</u>
The depreciation charge relating to these items was:	<u>£114,257</u>	<u>£150,226</u>

### 3 b. TANGIBLE ASSETS - GROUP

	Freehold Property	Short term leasehold Property	Equipment & Motor Vehicles	Furniture & furnishings	Total
	£	£	£	£	£
<b>COST</b>					
At 1st January 94	3,914,619	977,377	644,899	1,010,673	6,547,568
Additions	466,549	92,214	338,554	41,672	938,989
Disposals	-	(153,514)	-	-	(153,514)
Revaluations	780,634	124,010	-	-	904,644
At 31st December 94	<u>5,161,802</u>	<u>1,040,087</u>	<u>983,453</u>	<u>1,052,345</u>	<u>8,237,687</u>
Cost	711,802	290,087	983,453	1,052,345	3,037,687
Valuation	<u>4,450,000</u>	<u>750,000</u>	-	-	<u>5,200,000</u>
	<u>5,161,802</u>	<u>1,040,087</u>	<u>983,453</u>	<u>1,052,345</u>	<u>8,237,687</u>
<b>DEPRECIATION</b>					
At 1st January 94	840,629	129,954	147,545	-	1,118,128
Provision for the year	105,248	62,931	205,587	-	373,766
Disposals	-	(26,093)	-	-	(26,093)
Revaluations	(887,641)	(127,469)	-	-	(1,015,110)
At 31st December 94	<u>58,236</u>	<u>39,323</u>	<u>353,132</u>	<u>-</u>	<u>450,691</u>
<b>NET BOOK VALUE</b>					
At 31st December 94	<u>£5,103,566</u>	<u>£1,000,764</u>	<u>£630,321</u>	<u>£1,052,345</u>	<u>£7,786,996</u>
At 31st December 93	<u>£3,073,991</u>	<u>£847,423</u>	<u>£497,354</u>	<u>£1,010,673</u>	<u>£5,429,441</u>

# MACINTYRE CARE

A Company limited by guarantee

## NOTES TO THE ACCOUNTS Continued

Year ended 31st December 1994

### 3 c. REVALUATIONS DURING THE YEAR

Certain freehold and leasehold properties have been revalued by the Governors at 31st December 1994, at the same figure of £5,200,000 as those properties were professionally valued at that date. The basis of both valuations was open market for the existing use assuming vacant possession.

A total of £1,919,714 has been credited to the revaluation reserve at 31st December 1994. The net book value of freehold and leasehold properties on an historical cost basis would be £3,280,286.

### 4. INVESTMENT IN SUBSIDIARY UNDERTAKINGS - COMPANY

	1994 £	1993 £
<b>MacIntyre Enterprise Limited</b>		
As at 1st January and 31st December 1994		
Cost	100	100
Less: written off	<u>99</u>	<u>99</u>
	<u>£1</u>	<u>£1</u>
<b>MacIntyre Publishing Limited</b>		
As at 1st January and 31st December 1994		
Cost	2	2
Less: written off	<u>2</u>	<u>2</u>
	<u>£Nil</u>	<u>£Nil</u>
<b>MacIntyre Adventure Limited</b>		
Cost: Purchased in May 1994	<u>£100</u>	=

The company is the beneficial owner of 100% of the issued ordinary share capital of MacIntyre Enterprise Limited, a company registered in England. The objects of the company are to sell items purchased and those produced by residents and to donate the profit to MacIntyre Care. Since the year end the company's business has been transferred to MacIntyre Care.

The company is the beneficial owner of 100% of the issued share capital of MacIntyre Publishing Limited, a company registered in England which has not yet traded.

The company is also the beneficial owner of 100% of the issued share capital of MacIntyre Adventure Limited, a company registered in England to promote the involvement of people with disabilities in adventurous activities.

### 5. STOCKS

	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Finished goods and goods for resale	<u>£103,824</u>	<u>£25,282</u>	<u>£179,748</u>	<u>£27,287</u>

# MACINTYRE CARE

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## NOTES TO THE ACCOUNTS Continued

Year ended 31st December 1994

### 6. DEBTORS

	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Trade debtors	1,385,254	1,369,773	938,452	1,381,698
Amounts due from subsidiary undertaking	-	143,580	-	283,089
Other debtors	<u>302,252</u>	<u>277,017</u>	<u>536,412</u>	<u>-</u>
	<u>£1,687,506</u>	<u>£1,790,370</u>	<u>£1,474,864</u>	<u>£1,664,787</u>

On 1st January 1995 the business, assets and liabilities of the subsidiary, MacIntyre Enterprise Limited were taken over by the company, at values equal to the intercompany debt. These values included stock of £78,542 with the balance consisting of cash, debtors and creditors.

### 7. BANK LOANS AND OVERDRAFTS

Bank loans and overdrafts are secured by way of fixed charges over the company's freehold properties and book debts together with a floating charge over all other assets of the company. Reference is made in Note 1 to refinancing arrangements.

### 8. CREDITORS

	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Hire purchase	164,221	164,221	134,431	134,431
Trade creditors	517,538	458,874	125,162	74,287
Other creditors	<u>478,981</u>	<u>466,602</u>	<u>381,348</u>	<u>375,668</u>
	<u>£1,160,740</u>	<u>£1,089,697</u>	<u>£640,941</u>	<u>£584,386</u>

### 9. TAXATION

The company is registered as a charity and is therefore not liable to Corporation Tax or Income Tax, and other group companies have sufficient losses brought forward to cover any potential liability.

# MACINTYRE CARE

A Company limited by guarantee

## NOTES TO THE ACCOUNTS Continued

Year ended 31st December 1994

### 10. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR-COMPANY AND GROUP

	Bank loan £	Hire purchase £	Other loans £	Total £
Total	743,750	398,027	655,589	1,797,366
Falling due within one year	<u>85,000</u>	<u>164,221</u>	<u>50,000</u>	<u>299,221</u>
Falling due after one year	<u>£658,750</u>	<u>£233,806</u>	<u>£605,589</u>	<u>£1,498,145</u>

The creditors falling due after one year are due as follows:

In the second to fifth year	340,000	233,806	255,440	829,246
Over five years	<u>318,750</u>	<u>-</u>	<u>350,149</u>	<u>668,899</u>
	<u>£658,750</u>	<u>£233,806</u>	<u>£605,589</u>	<u>£1,498,145</u>

A bank loan of £743,750 (1993 £828,750) is repayable by quarterly instalments of £21,250 ceasing in August 2003 (with £85,000 falling due within one year). Interest is payable at 1% over base rate per annum. The bank loan is secured by way of a fixed charge over the company's freehold properties and book debts together with a floating charge over all other assets of the company.

Loans of £350,149 are only repayable if the properties to which the advances relate cease to be used for providing residential care. In such an event the repayments could be satisfied by the transfer of the related properties. The loans are unsecured and interest-free.

### 11. TURNOVER - GROUP

Turnover for the year represents fees for residential care invoiced to local authorities within the United Kingdom and to the Department of Social Security, and sales from horticultural and holiday accommodation.

Donations received are shown separately.

An analysis of income by type is given below:

	1994 £	1993 £
Board Fee Income	13,620,211	11,873,503
Other sales	<u>821,100</u>	<u>572,589</u>
Turnover	<u>£14,441,311</u>	<u>£12,446,092</u>
	£	£
Donations and Grants	500,419	1,044,379
Less: Development Expenditure	<u>147,774</u>	<u>472,915</u>
	<u>£352,645</u>	<u>£571,464</u>

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## 12. REVENUE (DEFICIT)/SURPLUS FOR THE YEAR - GROUP

	1994 £	1993 £
<b>Care &amp; Administration expenses:</b>		
Auditors' remuneration - Group		
Audit Services	32,000	32,000
Other Services	5,000	-
Leasing of equipment and vehicles	633,693	411,038
Other expenses	<u>15,152,977</u>	<u>12,030,152</u>
	<u>£15,823,670</u>	<u>£12,473,190</u>
<b>Interest payable:</b>		
On loans and overdrafts repayable:		
1 Within five years not by instalments	101,510	105,751
2 After five years by instalments	66,831	58,270
Hire purchase	<u>24,786</u>	<u>8,562</u>
	<u>£193,127</u>	<u>£172,583</u>
<b>Depreciation:</b>		
Assets held under hire purchase agreements	114,257	150,226
Other assets	<u>259,508</u>	<u>32,450</u>
	<u>£373,765</u>	<u>£182,676</u>

## 13a. EMPLOYEES

	1994 £	1993 £
The average monthly number of employees during the year was as follows:		
Office & Management	101	89
Teaching, Care & Maintenance	<u>882</u>	<u>738</u>
	<u>983</u>	<u>827</u>
Staff costs during the year amounted to:		
Wages and Salaries	10,135,668	8,416,458
Social Security costs	971,831	835,945
Other Pension costs	<u>118,470</u>	<u>93,120</u>
	<u>£11,225,969</u>	<u>£9,345,523</u>

## 13b. PENSION SCHEME

The company operates a defined contribution scheme managed by professional actuaries.

For the year the total pension costs to the company were £118,470 (1993 £93,885).

## 14. CAPITAL COMMITMENTS

	1994 £	1993 £
Authorised and contracted		
- Parent	<u>£ -</u>	<u>£240,000</u>
- Subsidiaries		
Authorised subject to availability of funds but not yet contracted		
- Parent	<u>£ -</u>	<u>£520,000</u>
- Subsidiaries	<u>£ -</u>	<u>£ -</u>

No provision has been made in the financial statements for capital commitments.

# MACINTYRE CARE

A Company limited by guarantee

## NOTES TO THE ACCOUNTS Continued

Year ended 31st December 1994

### 15a. RESTRICTED FUNDS - COMPANY & GROUP

	Total £	Wheathampstead £	Wingrave £	Other £
Balance at 1st January 1994	434,244	340,268	50,000	43,976
Freehold property improvements	(178,941)	(128,941)	(50,000)	-
Other fund applications	<u>(229,384)</u>	<u>(211,327)</u>	<u>-</u>	<u>(18,057)</u>
Balance at 31st December 1994	<u>£25,919</u>	<u>-</u>	<u>-</u>	<u>£25,919</u>

These funds are represented by the realisation of current assets.

### 15b. GENERAL FUNDS

	Company £	Group £
Balance at 1 January 1994	2,538,019	2,538,118
Deficit for year	(1,599,305)	(1,596,202)
Transfers from Restricted funds	<u>408,325</u>	<u>408,325</u>
Balance at 31 December 1994	<u>£1,347,039</u>	<u>£1,350,241</u>

The company's Memorandum of Association specifies that upon dissolution of the company any surplus assets should not be distributed to the members but transferred instead to a similar charitable institution. All funds therefore represent non-equity interests.

### 16. OPERATING LEASE COMMITMENTS

At 31st December 1994 the group has the following annual commitments under non-cancellable operating leases.

	1994 £	1993 £
Operating leases which expire:		
Within one year	20,086	15,005
Within two to five years	363,009	199,670
After more than five years	<u>80,000</u>	<u>110,094</u>
	<u>£463,095</u>	<u>£324,769</u>

£80,000 of the above operating leases relates to the rent of land and buildings.

### 17. RECONCILIATION OF MOVEMENT IN FUNDS

	Company		Group	
	1994 £	1993 £	1994 £	1993 £
(Deficit)/Surplus for the financial year	(1,599,305)	(41,336)	(1,596,202)	4,235
Funds:				
Revaluations in year	1,919,714	-	1,919,714	-
At 1 January 1994	<u>2,972,263</u>	<u>3,013,599</u>	<u>2,972,362</u>	<u>2,968,133</u>
At 31 December 1994	<u>£3,292,672</u>	<u>£2,972,263</u>	<u>£3,295,874</u>	<u>£2,972,362</u>

# MACINTYRE CARE

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## NOTES TO THE ACCOUNTS Continued

Year ended 31st December 1994

### 18. RECONCILIATION OF OPERATING DEFICIT FOR THE YEAR TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994	1993
	£	£
Operating deficit	(1,382,359)	(27,098)
Inter-Company	-	(27,324)
Decrease/(Increase) in stocks	75,924	(26,433)
Increase in debtors	(227,849)	(415,116)
Increase in creditors	<u>1,572,854</u>	<u>506,498</u>
Net cash flow from operations	<u>£ 38,570</u>	<u>£10,527</u>

### 19. MOVEMENT IN CASH AND CASH EQUIVALENTS

	1994	1993	Movement
	£	£	£
Cash at bank and in hand	269,405	68,285	201,120
Bank overdrafts	<u>(1,607,652)</u>	<u>(1,129,297)</u>	<u>(478,355)</u>
	<u>£(1,338,247)</u>	<u>£(1,061,012)</u>	<u>£(277,235)</u>

### 20. ANALYSIS OF CHANGE IN FINANCING DURING THE YEAR

	Bank & other loans	Hire Purchase	Total
	£	£	£
Balance 1st January 1994	1,184,339	277,148	1,461,487
New hire purchase loans	-	251,362	251,362
Cash inflow from financing	300,000	-	300,000
Cash outflow from financing	<u>(85,000)</u>	<u>(130,483)</u>	<u>(215,483)</u>
Balance 31st December 1994	<u>£1,399,339</u>	<u>£398,027</u>	<u>£1,797,366</u>